

# Indiana House of Representatives

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## News and Information

*Media Office  
Democratic Caucus  
John Schorg, Director  
Statehouse, Room 157*

*Indianapolis, Indiana 46204  
1-800-382-9842 or 1-317-232-9621  
Fax Number: 1-317-232-9792*

**FOR IMMEDIATE RELEASE:**

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### **VAN HAAFTEN WORKS TO HELP EASE INDIANA STUDENTS' COLLEGE DEBT**

INDIANAPOLIS – Today Indiana House members passed Senate Bill 459, which contains an amendment offered by State Rep. Trent Van Haaften (D-Mount Vernon) that would give students graduating from Indiana's five state universities a tax break on student loans. The vote was 89-1.

Van Haaften's amendment would create a tax deduction from adjusted gross income of \$2,000 per year for student loan payments and would only be available for 10 years. The deduction is the same if Indiana couples file their taxes jointly.

"In Indiana in 2003 the average debt for undergraduate students was more than \$17,000 and for graduate students it was \$29,500," said Van Haaften. "My amendment gives these students a financial boost as they pay off their college loans. My hope is that by offering this tax break, more of our students will be interested in staying in Indiana for their higher education studies and then living here upon the completion of their degrees."

Van Haaften commented that more than half of college seniors have debt and 38 percent delay buying a home due to student loan debt. Twenty-one percent of graduates also put off having children because of their student loans.

In order for Van Haaften's amendment to become law, the Senate author of the bill will have to agree to the additional language. The bill, including the changes, will then be reviewed by a House-Senate conference committee. Senate Bill 459 would then go to the governor for final consideration.